

CITY COUNCIL MEETING MONDAY, FEBRUARY 9, 2009

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by Rev. Dr. Delishia Boykin Wilson, Bethel AME Church.

All present pledged to the flag.

ATTENDANCE

Council President Spencer
Councilor Goodman-Hinnershitz, District 2
Councilor Sterner, District 3
Councilor Marmarou, District 4
Councilor Waltman, District 6
Mayor T. McMahon
City Auditor D. Cituk
City Solicitor C. Younger
City Clerk L. Kelleher
Sgt at Arms Capt R. Shafer
Managing Director R. Hottenstein
Public Works Director C. Jones
Executive Director DID C. Broad
Police Chief W. Heim

PROCLAMATIONS AND PRESENTATIONS

The Mayor issued a proclamation in recognition of Engineers Week, accepted by Michael Hartman, P.E., Chapter President of the Reading Chapter of the Pennsylvania Society of Professional Engineers.

City Council issued the following commendations:

- ⊙ In recognition of Black History Month, accepted by the NAACP on their 100th anniversary.
- ⊙ In recognition of the personal achievement by athletes in fall sports at

Reading High School.

PUBLIC COMMENT

Council President Spencer announced that two citizens were registered to address Council on agenda matters and two citizens were registered to address Council on non-agenda matters. He inquired if Council objected to suspending the rule requiring comment on non-agenda matters at the end of the meeting. No one objected, therefore, the rule requiring non-agenda comment at the end of the meeting was suspended. Council President Spencer reminded those registered to speak about the remaining speaking rules.

Ernest Schlegel, of Pear Street, questioned increasing the Police Chief's salary when the Mayor announced that management salaries would be frozen for 2009. He added that Chief Heim's current salary is far more than other police chiefs in similarly sized Pennsylvania cities. Recognizing that the Chief's salary increase is provided through an employment contract, Mr. Schlegel suggested that the Chief refuse to accept a 2009 increase as he is part of the City's management team.

Carlos Zayas, of South 2nd Street, suggested that the City seek the assistance of the Corp of Engineers to remove the Bushong Mill Dam. He questioned the participation of City Council on the Local Redevelopment Authority (LRA). He stated that a Charter complaint may be filed. He also suggested that the City consider relocating the Police Academy to the Navy Marine Center.

Richard Palsgrove, of Temple, stated that City property owners need tax relief not increased property taxes. He expressed the belief that those who currently pay are paying too much to cover those who do not pay. He stated that an increased sales tax would provide a more equitable solution as this tax would apply to all who spend.

William Waltz, of Greenwich Street, described the ongoing quality of life problems in his neighborhood. He stated that he has made repeat phone calls to the Police Department but the problems continue day and night. He stated that certain neighbors race their vehicles, shoot guns on the sidewalk and undertake other activities that create nuisances to all who reside in this neighborhood.

APPROVAL OF AGENDA & MINUTES

Council President Spencer asked Council to consider the agenda for this meeting including the legislation listed under the consent agenda heading and the minutes from the January 12th and January 26th regular meetings. He noted the need to add an Award of Contract for an analysis of the storm water utility.

Council President Spencer asked that the Resolution for the Bushong Mill Dam be removed from the Consent Agenda and considered separately.

Councilor Waltman asked that the Award of Contract for the storm water utility analysis be removed from the Consent Agenda and considered separately.

Councilor Sterner moved, seconded by Councilor Marmarou, to approve the minutes from the January 12th and January 26th regular meetings and the agenda, as amended, including the legislation listed on the Consent Agenda. The motion was approved unanimously.

Consent Agenda

Resolution 11-2009 – upgrading street lights in the 400 block of S. 7th Street **(Engineering)**

Award of Contract - to Polydyne, Inc., One Chemical Plant Road, Riceboro, GA 31323 who is the low bidder, at a price of \$1.57/pound for approximately 60,000 pounds, for a total bid of \$94,200.00 for Cationic Polymer Flocculant **(Purchasing)**

Award of Contract - to George S. Coyne Chemical Co., Inc., 3015 State Road, Croydon, PA 19021 who is the low bidder, at a price of \$8.22/gallon for approximately 20,000 gallons, for a total bid of \$164,400.00 for Sodium Phosphate **(Purchasing)**

Award of Contract - to George Coyne Chemical, 3015 State Road, Croydon, PA 19021-6997, who is the low bidder, at a price of \$8.676/gallon for approximately 10,000 gallons, for a total bid of \$86,760 for Zinc Orthophosphate **(Purchasing)**

Resolution 13-2009 – 5 year agility agreement with PennDOT **(Public Works)**

Resolution 14-2009 - authorizing an application for DCED funds in the amount of \$500,000.00 for the “Goggle Works Apartments” project, authorizing the execution of any and all necessary documents and carrying out all procedures as

required by the Commonwealth of Pennsylvania. In addition, the City of Reading will: (1) assume the provision of the full local share of the project costs; and (2) reimburse the Commonwealth for the DCED's share of any expenditures found by DCED to be ineligible (Redevelopment Authority)

Resolution 15-2009 - requests an H2O PA grant in an amount up to \$20,000,000 from the Commonwealth Financing Agency to be used for the Phase I – Complementary Activities Prerequisite to Fritz Island Waste Water Treatment Plant Upgrade Project **(Man Dir)**

- ◎ **Resolution 12-2009** - Authorizing the submission of the attached PaDEP Grantee Agreement for Bushong Mill Dam, across the Tulpehocken Creek, upstream from the confluence with the Schuylkill River **(Public Works)**

Public Works Director C. Jones stated that about one year ago the City learned that it owns the Bushong Dam as the dam was attached to a property the City took through a condemnation procedure. Through the adoption of this resolution the City can hire a consultant to explore how the removal of the dam will affect the waterway. He explained that the dam was originally installed for the use of a mill that is no longer active. He noted the dangers and liability of the dam.

Councilor Waltman stated that this dam has been in place for a very long time with no history of safety problems or liability issues. He noted the larger safety and liability potential created by the Schuylkill River, parts of which are located within the City of Reading.

Councilor Waltman and Council President Spencer expressed the belief that the removal of the dam is unnecessary.

Council President Spencer reminded everyone that Council was also told that the DEP required the removal of the Angelica Dam, when in fact it was the Public Works Department who wanted to remove the dam.

Public Works Director C. Jones suggested tabling the resolution to allow further discussion.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Waltman, to table Resolution 12-2009.

Resolution 12-2009 was tabled by the following vote:

**Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer
President – 5.**

Nay: None – 0.

- ⊙ **Award of Contract - for Storm Water Utility Analysis for the Public Works Department (Purchasing)**

Councilor Waltman stated that the Administration should focus on fixing its many other problems and issues before taking on an additional project. He stated that he will not support this project.

Councilor Goodman-Hinnershitz stated that while she understands Councilor Waltman's position, she believes this issue needs further exploration. The award of this contract will only provide further analysis of this project. After the analysis is completed the Administration will present its findings and Council will have the opportunity to approve or reject the project. She reminded all that the Public Works Committee has been overseeing this issue.

Councilor Waltman again stated that the City should work to correct its problems before taking on new projects.

Public Works Director C. Jones stated that this second phase of the project will evaluate the amount, quality of rainwater runoff and the per property rate. If Council approves the entire project, the Storm Water Utility Fee will support the storm water system. He noted that much of the existing storm water system predates 1910. He stated that the fee will support street sweeping, catch basin repair, etc. He stated that although no other Pennsylvania cities have adopted this program, some smaller municipalities are using this utility fee. He stated that this type of program will be required by the PaDEP in the future.

Councilor Sterner agreed with moving this issue forward.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to table this award of contract.

The motion to table the award of contract was approved by the following vote:

Yea: Goodman-Hinnershitz, Marmarou, Waltman, Spencer President – 4.
Nay: Sterner - 1.

ADMINISTRATIVE REPORT

Mayor McMahon reviewed the report distributed to Council at the meeting covering the following:

- ⊙ the installation of 25 security cameras around the downtown area
- ⊙ the application for a Neighborhood Stabilization Program and Main Street grant

Councilor Goodman-Hinnershitz noted her appreciation for the work done on the Stimulus Package. She also noted the partnership of several social service organizations with the Public Safety Club operating at Southern Middle School.

Councilor Waltman stated that many cities are plagued by the same issues. He noted his hope that the Stimulus Package will be passed down to correct some of these problems.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting covering the following topics:

- ⊙ 2007-08 District Court Summary Fines
- ⊙ 2008 Cable Franchise Fee collection
- ⊙ 2008 unemployment expenditures

Councilor Goodman-Hinnershitz stated that it is difficult to understand the collection of fines without seeing the number of cases heard by each Magisterial District Justice.

City Clerk L. Kelleher stated that information on the cases handled by each Magisterial District Justice can be obtained from the Court Administrator or from the AOPC (Administrative Offices of Pennsylvania Courts) website.

Mayor McMahon noted the increase in traffic fines issued by the Reading Police Department in 2008, which generated revenue above that estimated in the 2008 budget.

Councilor Waltman requested that the City Auditor prepare a five year report on parking violation revenue.

REPORTS FROM DIRECTORS & BOARDS AUTHORITIES AND COMMISSIONS

Downtown Improvement District (DID) Executive Director Charles Broad thanked City Council for providing him with an opportunity to update the public on the activities of DID. He distributed a written report to Council. He stated that DID held strategic planning sessions and has created a new mission and vision statement.

Mr. Broad stated that the DID budget of \$631,500 is funded through the assessment of 558 properties, over 24 square blocks, within the DID area. A seven member board oversees the operation of DID. He described the popular Ambassador escort services along with environmental programs and graffiti removal services. He also noted the promotional and marketing services provided by DID. He thanked the City for participating in many of the DID programs like the MidDay Cafe and the Holiday Parade.

Mr. Broad next described DID's five year plan and goals. He noted DID's partnership with other organizations. He stated that DID plans to administer the Main Street Grant which will provide funding for streetscape and facade improvements to rebuild the face of the downtown.

Councilor Waltman thanked Mr. Broad for his report. He noted Mr. Broad's great understanding of City problems and issues. He expressed the belief that under Mr. Broad's direction, DID is now running on all cylinders.

Councilor Sterner thanked Mr. Broad and DID for their work to improve the downtown. Mr. Broad stated that he looks forward to working with the City to achieve their joint missions.

Councilor Goodman-Hinnershitz noted the importance of the Ambassador program for those visiting and working downtown. She stated that DID has done much to create a positive image of the downtown.

Council President Spencer thanked Mr. Broad for his report and the work of DID to improve the quality of life and public safety in the downtown.

ORDINANCES FOR FINAL PASSAGE

Bill No. 7-2009 – increasing the salary of the Police Chief to \$108,957.13, a 4% increase, per annum retroactive to January 23, 2009 **(Managing Director)**
Introduced at the January 26 regular meeting

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to table Bill No. 7-2009.

Bill 7-2009 was tabled by the following vote:

Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer
President – 5.

Nay: None – 0.

Bill No. 8-2009 – amending the full time position ordinance by creating the position of Gun Safety Coordinator in the Mayor's Office **(Managing Director)**
Introduced at the January 26 regular meeting

Councilor Marmarou moved, seconded by Councilor Sterner, to enact Bill No. 8-2009.

Mayor McMahon explained that this position will be funded by the Joyce Foundation. Although this position will be on the Full-time Position Ordinance, this person will not receive any City benefits and will not be eligible for unemployment compensation when funding ends. He stated that this person will work from the Mayor's Office to assist other cities with anti-gun issues.

Councilor Waltman stated that he will support this ordinance but noted the need for improved state legislation that can truly regulate guns and gun use in Pennsylvania.

Councilor Goodman-Hinnershitz requested that the Mayor provide Council with a quarterly report on this initiative.

Bill 8-2009 was enacted by the following vote:

Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer
President – 5.

Nay: None – 0.

Bill No. 4-2009 - amending The Codified Ordinances Of The City Of Reading Chapter 1 – Section 1- 86, 3, G by adding a new (3) requiring Council approval for all expenditures made from any and all Agency Funds and any and all line items and allocations made in the “Department: Non-Departmental” area of the General Fund Budget **(Council President Spencer) *Introduced at the January 12 regular meeting; Tabled at the January 26 regular meeting and referred to Finance Committee***

Councilor Waltman moved, seconded by Councilor Sterner, to enact Bill No. 4-2009.

Council President Spencer explained that this ordinance was drafted by Council Staff at his request. This ordinance is not intended to disrupt the Administration's ability to function but to provide a check and balance on the expenditure of funds from non-general fund accounts and line items. He stated that in the past the Administration could spend freely from these areas with no oversight.

Bill 4-2009 was enacted by the following vote:

**Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer
President – 5.**

Nay: None – 0.

INTRODUCTION OF NEW ORDINANCES

No ordinances were introduced at this meeting.

RESOLUTIONS

Resolution 16-2009 – denying the conversion of 439 S 9th St to a three unit dwelling **(Council Staff)**

Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution No. 17-2009.

Councilor Goodman-Hinnershitz stated that this property was converted to a three unit without a zoning permit. She stated that the external improvements made to this property have uplifted the neighborhood.

Resolution No. 16-2009 was adopted by the following vote:

Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer

President – 5.

Nay: None – 0.

Resolution 17-2009 – approving an interest rate management plan; approving the form of an amendment to the existing interest rate management agreement relating to its General Obligation Bonds, Series of 2002 **(Man Dir)**

Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution No. 17-2009.

Mr. Hottenstein and Mr. Vind, from Financial S&Lutions, stated that background on this transaction was provided at the February 2nd Finance Committee meeting. Mr. Vind stated that due to the economic climate the City has the opportunity to amend a variable rate bond to a fixed rate bond, which will reduce the interest rate. The transaction period will fall between 2012 and 2019 and is based on current interest rates. This transaction should save the City approximately \$200,000.

Council President Spencer asked Mr. Vind to explain the risks with this transaction. Mr. Vind replied that the only risk is the unpredictability of interest rates.

Councilor Waltman stated that Financial S&Lutions has provided guidance on this transaction, which the City must trust.

Resolution No. 17-2009 was adopted by the following vote:

Yea: Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer

President – 5.

Nay: None – 0.

COUNCIL COMMENT

Councilor Sterner thanked all citizens who provided comment this evening. He also thanked DID for improving the perception of the downtown.

Councilor Goodman-Hinnershitz congratulated the NAACP on their 100th anniversary. She also thanked Mr. Schlegel for his comments on the removal of the Bushong Mill Dam.

Councilor Goodman-Hinnershitz announced that she will be holding a town meeting on the Cotton Street Water Main project in mid March.

Council President Spencer explained that in 2005-06 the City submitted a Notice of Interest (NOI) to relocate the Police Academy to the Navy Marine Center. After evaluating the merits of their partnership with Alvernia, the Police Department's NOI to relocate the Police Academy was withdrawn.

City Clerk L. Kelleher explained that the LRA is an advisory authority that will draft a reuse plan for the Navy Marine Center. That plan will need to be approved by Council before it is submitted to the Department of Defense and HUD. She explained that the BRAC Guidelines suggest that the governing body along with representatives from the Planning Commission and Redevelopment Authority serve on the LRA. She stated that the representatives of the Planning Commission and Redevelopment Authority also reside in this neighborhood. There are also two additional Reading residents, who are affiliated with the Homeless Coalition, on the LRA.

Council President reviewed the upcoming meeting schedule.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to adjourn the regular meeting of Council.

Linda Kelleher CMC
City Clerk